

CHDO Works

2002-2003 Application Package
HOME • CDBG • Low Income Housing Trust Fund

Indiana Housing Finance Authority
Lt. Gov. Joe Kernan, Chairman
Kimberly A. Wize, Executive Director

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June 19, 2002

Dear Potential Applicant:

Thank you for your interest in the Indiana Housing Finance Authority's CHDO Works program. Enclosed are the revised application instructions and materials for the year 2002-03. The IHFA staff spent many months refining, reconsidering, and revising this application package. They took into consideration such things as comments from past applicants, observations of common mistakes made on applications received in 2001-02, and feedback gathered at public meetings. We appreciate the input that our partners provided in this effort. We hope that these revisions make it easier for potential applicants to demonstrate the merits of their housing program. We will continue to accept additional comments for future revisions.

The purpose of the CHDO Works program is to strengthen state-certified Community Housing Development Organizations (CHDOs) so they can undertake new housing activities that are eligible to receive HOME Investment Partnerships Program funds under the CHDO set-aside. IHFA is required under the HOME guidelines to set-aside at least 15% of the annual allocation of HOME funds for CHDO-eligible activities. A CHDO-eligible activity includes homebuyer, rental, and transitional housing that is developed, owned, or sponsored by a state-certified CHDO. IHFA expects CHDO Works recipients to begin a CHDO-eligible activity within 24 months of receiving the CHDO Works award.

The CHDO Works program is designed to:

- Provide reasonable supplemental operating funds to a CHDO with the purpose of expanding its ability to produce housing units.
- Increase the organizational capacity of the recipient so that they can develop a HOME CHDO-eligible activity.
- Minimize duplication of effort of CHDOs throughout the state.
- Be flexible enough to respond to changing housing needs throughout the State of Indiana.

The opportunity to access CHDO Works funding and qualify for the HOME CHDO set-aside provides an incentive for not-for-profit organizations to become certified as a CHDO. In order to receive this designation, an organization must complete an Application for Certification and provide the appropriate documentation. When reviewing these requests, IHFA staff looks at, among other things, the potential service area and the need for additional CHDOs in those counties. If your organization is interested in learning more about becoming a state-certified CHDO, you can contact the IHFA Allocation Analyst for your county at (317) 232-7777 or (800) 872-0371. A copy of the Application for Certification can also be downloaded from the IHFA web site at <http://www.indianahousing.org>.

I strongly encourage you to contact the IHFA Allocation Analyst for your county for further assistance in preparing a CHDO Works application for submission. We look forward to working with you and your organization to create strong CHDOs in the State of Indiana.

Sincerely,

Kimberly A. Wize
Executive Director

Application Process

Overview

The purpose of the CHDO Works program is to strengthen state-certified Community Housing Development Organizations (CHDOs) so they can undertake new housing activities that are eligible to receive HOME Investment Partnerships Program funds under the CHDO set-aside. IHFA is required under the HOME regulations to set-aside at least 15% of the annual allocation of HOME funds for CHDO-eligible activities. A CHDO-eligible activity includes homebuyer, rental housing, and transitional housing rehabilitation or new construction that is developed, owned, or sponsored by a state-certified CHDO. CHDO Works recipients are required to begin a CHDO-eligible activity within 24 months of receiving each CHDO Works award.

This program is designed to:

- Provide reasonable supplemental operating funds to a CHDO with the purpose of expanding its ability to produce housing units. It is **not** intended to serve as the primary source of funding for the organization. The CHDO should demonstrate the ability to leverage other sources of funds for future operations and to grow into self-sufficiency. Therefore, an applicant's past, current, and anticipated capacity will be given significant consideration in the funding process.
- Increase the organizational capacity of the recipient so that they can develop a HOME CHDO-eligible activity, such as homebuyer, transitional housing, or rental housing within 24 months of receiving the award.
- Minimize duplication of effort of CHDOs throughout the state.
- Be flexible enough to respond to changing housing needs throughout the State of Indiana.

It is the expressed intent of the HOME program to build partnerships among private, public, and non-profit agencies. The most successful partnerships are those that include clear lines of communication, as well as a mutual understanding of the goals and objectives of the agency and/or activity.

Application Review

Only one (1) application per applicant may be submitted per round. Applications are reviewed in a three-step process:

<u>Step One</u> - Completeness	The application must include all required exhibits and attachments. Periodically, IHFA staff will contact an applicant after an application deadline to request clarification of information contained in a pending application. These applications are not necessarily considered incomplete by IHFA.
<u>Step Two</u> - Threshold	The application must meet each of the applicable threshold criteria.
<u>Step Three</u> - Scoring	Applications that pass the completeness and threshold reviews are then scored according to IHFA's published scoring criteria. Applications failing to meet the requirements for completeness or threshold will <u>not</u> be scored.

During funding rounds when award recommendations fall below IHFA's internal funding goals, in its sole discretion, IHFA may allow additional information to be submitted for applications identified as being incomplete, having technical errors in the resolution, or having technical errors in the assurances and certifications. Staff will contact the applicant and require that the missing information be faxed and the original mailed to IHFA within seven calendar days. These applications will then be scored and ranked according to IHFA's published scoring criteria and allowed to compete for HOME awards, as they are available. However, they will only be recommended for funding after all complete applications with scores meeting or exceeding the published minimum have been recommended for funding.

Funding Rounds for 2002-2003

****Note:** This is an anticipated schedule, and is subject to change. Potential applicants should check the web at: <http://www.IN.gov/ai/calendar/> for an updated list of deadlines.**

Round 4	Application Workshop	June 4, 2003
	Application Due Date	July 1, 2003
	Award Announcements	August 28, 2003
	Start-Up Training	October 2, 2003
Round 5	Application Workshop	October 1, 2003
	Application Due Date	October 24, 2003
	Award Announcements	November 20, 2003
	Start-Up Training	December 11, 2003

Technical Assistance and Site Visit

Applicants are encouraged to contact their IHFA Allocation Analyst upon determining that they may be interested in applying for operating assistance. Upon request, IHFA staff will provide direct and ongoing technical assistance to CHDOs anticipating applying for IHFA funding. While formal notice of intent to submit an application is not required, applicants are encouraged to discuss their application with their Allocation Analyst prior to submission.

Application Submission

Applications will be accepted by 5:00 p.m. (Indianapolis time) on the appropriate application due date. One original (with original signatures) and four (4) copies, for a total of five (5), must be received by the due date. Late applications will not be scored. Faxed or emailed applications will not be accepted.

All copies of the application should be copied double-sided and separated by lettered tabs. See the Application Table of Contents, page 2, for a list of the contents of each tab and the order of submission of documents. Number each page of your application. The application should be bound together with an appropriately sized binder clip and have the Application Cover Page as the cover. Do not three-hole punch the application and put it in a binder or spiral bind the application! Clearly mark the original.

All applicants are advised to retain this application package. Applicants that receive funding will be bound by information contained herein.

Applications should be submitted to the following address:

**Attn: CHDO Works
Indiana Housing Finance Authority
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204**

IHFA's offices are located on the tenth floor of 30 South Meridian Street. A map showing IHFA's location is available in Appendix W.

Application Workshop

A one-day application workshop is scheduled approximately 6 weeks prior to each application deadline. At this workshop IHFA staff will review the requirements of the program, scoring criteria, and how to complete the required forms. Those organizations intending to submit an application for funding are strongly encouraged to attend. Reservations for these workshops are required and can be made by calling the Allocation Assistant at (800) 872-0371.

Start Up Training

No formal start up training is planned for CHDO Works recipients. However, if you are a new CHDO and do not have experience administering IHFA HOME awards, you are welcome to attend the start up training for Housing from Shelters to Homeownership award recipients. At this training event we review all the regulatory requirements for administering these funds, the required record keeping, and the forms and reports that must be submitted to IHFA. A list of scheduled trainings is on the web at: <http://www.IN.gov/ai/calendar/>. Reservations are required and can be made by calling the Compliance Assistant at (800) 872-0371.

CHDO Works Compliance Requirements Manual

The CHDO Works Compliance Requirements Manual outlines the policies and procedures for administering IHFA's CHDO Works awards. A copy of the manual is mailed to the award recipient with the executed award agreement. If you would like a copy prior to receiving an award, you can download a copy from IHFA's website at: <http://www.IN.gov/ihfa/ihfaprograms/development/compliance/subchdo/subchdo.htm>.

Compliance on CHDO Works Awards

Your Compliance Monitor processes all CHDO Works requests to modify or close-out an award. Recipients of CHDO Works awards should direct paperwork and questions regarding the administration of an existing award to the appropriate Compliance Monitor. Requests to draw down funds or questions regarding pending draws should be forwarded to the Program Accountant.